

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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India

Coffee Semi-annual

2012

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Report Highlights:

India's 2012/13 crop is forecast marginally higher at a record 5.3 million 60 kg bags as favorable weather conditions and higher domestic prices in recent years have led to improved agronomic practices. Exports are forecast at a near-record 5.5 million 60 kg bags, led by exports of Robusta.

Commodities:

Coffee, Green

Production:

Marketing year (MY) 2012/13 (Oct/Sept) coffee production is estimated 200,000 bags higher at a record 5.3 million 60 kg bags. Growers in Karnataka, India's largest coffee producing state, are anticipating a bumper harvest aided by the emergence of new bearing plants from plantings done several years ago; favorable weather conditions across the state have also helped to boost yields. Production in Tamil Nadu, which accounts for five percent of India's crop, is expected to be unchanged from a year ago. Production in Kerala is expected to be down 10 percent due to deficient rainfall in coffee growing areas.

With Arabica entering the 'off-year' of the biennial cycle, output is expected to be lower compared to last year but Robusta production is expected to increase. Untimely rains occasionally occur in December and could still affect the crop.

For MY 2011/12 (Oct/Sep) total production is estimated lower at 5.2 million 60 kg bags which reflects the Coffee Board's most recent estimate based on harvest data.

Trade:

Exports for marketing year (2012/13) are forecast at 5.5 million 60 kg bags, down just 300,000 bags from last year's record level due to expected larger global supplies. While global Arabica prices have dropped significantly, prices for Robusta, which comprises the bulk of Indian exports, have been relatively steady, lending support to the expectation that exports will again be near record. Export estimates for 2010/11 and 2011/12 reflect the latest data from the Coffee Board.

Revisions to import estimates reflect the most recent data from the Coffee Board. Nearly all imports are processed for re-export under export programs that provide duty-free access to imports subject to re-exports.

Consumption:

The bulk of India's coffee production is exported and the domestic industry focuses much of its marketing effort on export promotion. There are signs that the popularity of coffee is increasing with the spread of both foreign and home-grown coffee shops. However, exports continue to siphon large amounts of coffee away from the domestic market and consumption estimates are largely unchanged.

Production, Supply and Demand Data Statistics:

Table 1: Commodity, Coffee, Green, PSD

Coffee, Green India	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Oct 2010		Market Year Begin: Oct 2011		Market Year Begin: Oct 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	400	0	402	0	411
Area Harvested	0	360	0	369	0	370
Bearing Trees	0	565	0	566	0	568
Non-Bearing Trees	0	64	0	65	0	64
Total Tree Population	0	629	0	631	0	632
Beginning Stocks	2,578	2,640	1,533	2,142	1,000	1,207
Arabica Production	1,570	1,570	1,730	1,660	1,675	1,640
Robusta Production	3,465	3,465	3,605	3,540	3,425	3,660
Other Production	0	0	0	0	0	0
Total Production	5,035	5,035	5,335	5,200	5,100	5,300
Bean Imports	780	817	775	700	770	770
Roast & Ground Imports	0	0	0	0	0	0
Soluble Imports	0	0	0	0	0	0
Total Imports	780	817	775	700	770	770
Total Supply	8,393	8,492	7,643	8,042	6,870	7,277
Bean Exports	4,260	4,000	4,100	4,200	4,000	4,100
Rst-Grnd Exp.	0	5	0	5	0	5
Soluble Exports	1,600	1,345	1,500	1,600	1,400	1,400
Total Exports	5,860	5,350	5,600	5,805	5,400	5,505
Rst,Ground Dom. Consum	800	800	825	825	835	835
Soluble Dom. Cons.	200	200	218	205	210	210
Domestic Use	1,000	1,000	1,043	1,030	1,045	1,045
Ending Stocks	1,533	2,142	1,000	1,207	425	727
Total Distribution	8,393	8,492	7,643	8,070	6,870	7,277
Exportable Production	4,035	4,033	4,292	4,200	4,055	4,255
1000 HA, MILLION TREES, 1000 60 KG BAGS						

Note: The Coffee Board of India does not maintain data on total tree population but has recently started work towards developing estimates. It is not yet clear when these estimates will be finalized.